



J. TYLER McCaULEY
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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September 2, 2005

TO: Supervisor Gloria Molina, Chair
Supervisor Yvonne B. Burke
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: J. Tyler McCauley 
Auditor-Controller

SUBJECT: **HARBOR VIEW ADOLESCENT CENTER CONTRACT REVIEW**

We have completed a contract compliance review of Harbor View Adolescent Center (Harbor View or Agency), a Department of Mental Health Services (DMH) service provider. It included a review of the Agency's billings to DMH for August and September 2004. This review was conducted by the Auditor-Controller's Countywide Contract Monitoring Division.

Background

DMH contracts with Harbor View, a private, for-profit, community-based organization, which provides services to children and their parent(s) in Service Planning Area number eight. Services include interviewing program participants, assessing their mental health needs, and developing and implementing a treatment plan. Our review focused on the Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) program, which is Medi-Cal's comprehensive and preventive child health program for individuals under the age of 21. Harbor View's EPSDT billable services include Day Treatment Intensive, Mental Health Services, Medication Support Services, Targeted Case Management Services, and Therapeutic Behavioral Services. Harbor View's headquarters is located in the Fourth District.

For our review period, DMH paid Harbor View \$101.77 for each day that a client participated in its Day Treatment Intensive program. DMH also paid between \$1.11 and \$2.65 per minute of staff time (\$66.60 and \$159.00 per hour). For Fiscal Year 2004-05, DMH contracted with Harbor View to provide approximately \$3.4 million in EPSDT funded services.

"To Enrich Lives Through Effective and Caring Service"

Purpose/Methodology

The purpose of the review was to determine whether Harbor View provided the services outlined in their contract with the County. We also evaluated whether the Agency achieved planned service and staffing levels. Our monitoring visit included a review of a sample of Harbor View's billings, participant charts, and personnel and payroll records. We also interviewed staff from Harbor View and interviewed a sample of the participants' parents or guardians.

Results of Review

The parents or legal guardians of the program participants interviewed stated that the program services the participants received met their expectations. In addition, the participants selected in our sample were eligible to receive services.

The Agency did not sufficiently document eight (80%) of the 10 service days, and 2,057 (27%) of the 7,597 service minutes sampled. For example, the Agency billed for Day Treatment Intensive services but the documentation used to support the billings did not describe the activities in which the clients participated, as required by the County contract. The insufficiently documented billings totaled \$2,632.

For four (40%) of the 10 Day Treatment Intensive sessions sampled, Harbor View's average ratio of qualified staff to participants of 1:13 exceeded the maximum of 1:8 allowed by the County contract. According to the Agency, the staffing schedules for the sessions were prepared in advance and Harbor View did not assign additional staff when the assigned staff became unavailable to attend the scheduled sessions. In addition, for eight (80%) of the 10 days sampled, the Agency did not include staff from at least two different disciplines, as required by the County contract.

For 275 (4%) of the 7,597 service minutes sampled, Harbor View did not maintain documentation to support the billings. The amount of the billed services sampled that were undocumented totaled \$358.

Review of Report

We discussed the results of our review with Harbor View on July 12, 2005. In their attached response, Harbor View indicates the corrective actions it plans to take to address the issues identified in our report.

We thank Harbor View management for their cooperation and assistance during this review. Please call me if you have any questions, or your staff may contact Don Chadwick at (626) 293-1102.

JTM:MMO:DC

Attachment

c: David E. Janssen, Chief Administrative Officer
Dr. Marvin J. Southard, Director, Department of Mental Health
John Megara, CEO, Harbor View Adolescent Center
Public Information Office
Audit Committee

**COUNTYWIDE CONTRACT MONITORING REVIEW
EARLY AND PERIODIC SCREENING, DIAGNOSTIC, AND TREATMENT PROGRAM
FISCAL YEAR 2004-2005
HARBOR VIEW ADOLESCENT CENTER**

BILLED SERVICES

Objective

Determine whether Harbor View Adolescent Center (Harbor View or Agency) provided the services billed in accordance with their contract with DMH.

Verification

We selected 7,597 minutes from 290,748 service minutes that Harbor View billed DMH for August and September 2004 and reviewed the progress notes maintained in each client's chart. We also selected 10 service days from 1,528 service days billed by the Agency during the same period and reviewed the Day Treatment sign-in sheets, staff timecards, and participant files for documentation to support the services billed. In addition, we traced an additional 183 service days billed to the client attendance sheets to support the services billed.

The 7,597 minutes and 193 days represent services provided to 50 program participants as reported by the Agency.

Results

Generally, Harbor View's client attendance sheets support the service days billed for its Day Treatment Intensive Program. We traced and agreed 189 of 193 (98%) of the billed service days to the client attendance sheets, which indicates that the clients attended the treatment sessions.

Harbor View did not sufficiently document 8 (80%) of the 10 service days, and 2,057 (27%) of the 7,597 service minutes sampled. The following are examples of billed services that were not sufficiently documented:

- For 7 (70%) of the 10 service days sampled, the Agency billed for Day Treatment Intensive services but the Weekly Summary did not describe what was attempted and/or accomplished towards the personal milestones of the individual and service staff as required by the County contract.
- For 3 (30%) of the 10 service days sampled, the Agency billed for Day Treatment Intensive services but the client's chart does not document at least one contact with legally responsible adult during the month of the selected billing, as required by the County contract.

- For 3 (30%) of the 10 service days sampled, the Agency billed for Day Treatment Intensive services but due to discrepancies we noted between Daily Progress Notes, the Weekly Summary, and the Client Sign-in Sheet, we were unable to determine whether the clients were present at least 50% of the Day Treatment Intensive Program, as required by the County contract.
- For 2 (20%) of the 10 days sampled, the Agency billed for Day Treatment Intensive services but the Daily Progress Note did not describe the specific skill building groups, adjunctive therapies, and/or psychotherapy activities in which the client participated, as required by the County contract.
- For 1,027 (14%) of the 7,597 service minutes sampled, the Agency billed for Mental Health Services but the progress note does not describe what was attempted and/or accomplished by the individual or service staff towards the client's goal(s), as required by the County contract.
- For 775 (10%) of the 7,597 service minutes sampled, the Agency billed for Targeted Case Management Services but the progress note does not describe placement, consultation, and/or linkage, as required by the County contract.
- For 724 (10%) of the 7,597 service minutes sampled, the agency billed for multiple staff but did not document each staff person's involvement in the context of the mental health needs of the individual, as required by the County contract.

The total number of service days and minutes cited above exceeds the number of billings sampled because some of the billings contained more than one deficiency. The amount of services that Harbor View did not sufficiently document totaled \$2,632.

In addition, the Agency did not maintain documentation to support 275 (4%) of the 7,597 service minutes sampled. The amount of the billed services sampled that were not documented totaled \$358.

Recommendations

Harbor View management:

1. **Maintain sufficient documentation to support its compliance with contract requirements.**
2. **Repay DMH \$358 for services that were not documented.**

CLIENT VERIFICATION**Objectives**

Determine whether the program participants actually received the services that Harbor View billed DMH and whether participants were eligible to receive services.

Verification

We selected 10 program participants to interview their parent or guardian and confirm that the participants are clients of Harbor View and that they received the services that the Agency billed DMH. We also reviewed documentation in the participant files to determine whether participants were eligible to receive services.

Results

The parents or guardians interviewed stated that the participants were clients of Harbor View and were satisfied with the services that the Agency provided to the children. In addition, documentation in the participants' charts supported their eligibility. We were unable to interview one participant's parent because the telephone number listed in the chart was not a working number. Agency management indicated that the family recently moved without leaving a forwarding number. The Agency subsequently closed the case.

Recommendation

There are no recommendations for this section.

STAFFING LEVELS**Objective**

Determine whether Harbor View's actual ratios for Qualified Mental Health Professional (QMHP) staff to the total number of clients in its Day Treatment Intensive Program do not exceed the 1:8 ratio required by the County contract. In addition, to determine whether staff providing Day Treatment Intensive Program services include at least one person from two different disciplines.

Verification

We selected 10 days that Harbor View billed for its Day Treatment Intensive program and reviewed the client attendance sheet, staff roster and staff timecards for August and September 2004.

Results

For four (40%) of the ten days sampled, the staffing ratio maintained by Harbor View averaged 1:13, which exceeded the maximum allowed by the County contract. According to the Day Treatment staff roster (roster), Harbor View had a sufficient number of staff assigned to the Day Treatment program to meet the 1:8 staffing requirement. However, timecards for 10 of the staff listed on the roster indicated that the staff did not work that day or were not present for the entire duration of the program. In addition, one staff listed on the roster had terminated their employment with the Agency prior to their scheduled Day Treatment shift. Agency management indicated that the Day Treatment staff roster is prepared in advance and the Agency did not make the necessary changes when staffing changes occurred. In addition, the Agency did not include staff from at least two different disciplines for eight (80%) of the ten days tested.

Recommendations**Harbor View management:**

3. **Ensure that it adequately maintains staffing ratios for the Day Treatment Intensive Program in accordance with the County contract.**
4. **Ensure that it includes staff from at least two different disciplines for the Day Treatment Intensive Program in accordance with the County contract.**

STAFFING QUALIFICATIONS**Objective**

Determine whether Harbor View's treatment staff had the required qualifications to provide the service.

Verification

We reviewed the personnel files for 46 of 92 Harbor View treatment staff and reviewed documentation to support their qualifications.

Results

Each staff person possessed the required qualifications to deliver the services billed.

Recommendation

There are no recommendations for this section.

SERVICE LEVELS**Objective**

Determine whether Harbor View's reported service levels for Fiscal Year (FY) 2003-04 did not significantly vary from the service levels identified in the DMH contract.

Verification

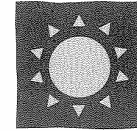
We obtained a report of EPSDT billings from the State Explanation of Balances data for FY 2003-04 and compared it with the Agency's total EPSDT contracted level of service identified in the contract for the same period.

Results

Our review of recorded payments by DMH disclosed that the Agency did not vary from its contracted service levels. For FY 2003-04, the Agency's contracted service levels for EPSDT funded services were approximately \$3.4 million and the actual EPSDT services paid was approximately \$3.4 million.

Recommendation

There are no recommendations for this section.



SunBridge

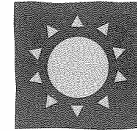
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August 15, 2005

Gregory Hellmold, CPA, CIA
Principal Accountant-Auditor
Countywide Contract Monitoring Division
Los Angeles County Department of Auditor-Controller
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Harbor View Center has received the recommendations resulting from audit conducted in November and December 2004. The following is our Action Plan for the Intensive Day Treatment component of that audit:

1. Although we did provide weekly summaries the auditor did not think that they were sufficient in identifying interventions. We created our system/form based on a sample provided in the DMH Provider's Manual. Interventions were listed and circled, however the interventions did not appear specific enough for your team. We have revised the form and returned to a more narrative approach.
2. Contact had been made with outside workers or family members; however specific documentation that discharge planning and progress toward milestones were discussed during each contact was your issue. Workers are constantly informed of progress regarding incidents etc. The documentation was difficult to find in the chart. We have implemented the use of a Stamp that in the future will clearly identify contact with outside workers. Our team has been trained to specifically address discharge planning and progress toward milestones on a monthly basis and to document these interactions.
3. Documentation was unclear regarding residents spending 50% of their time in the program when they were on pass for a period of DTI time. Modifications have been made to ensure clear documentation that residents are in program 50% of the time or no billing will occur. We have a new Director of Rehabilitation to ensure this system has resolved this issue.
4. We employ a box checking system that indicates which groups are skill building, adjunctive or psychotherapy groups. The boxes were checked however they did not align well. Our Staff has been retrained and new Director will ensure clarity of checks in boxes.
5. In the majority of situations, staff was present from different disciplines; however they were not present the entire time. We have adjusted Staff schedules to ensure compliance with the QMHP ratio and 2 discipline requirements.



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The following is our Action Plan for Mental Health Services, Targeted Case Management Services and ensuring comprehensive documentation when multiple staff treats a client.

1. A system has been implemented to concurrently ensure that documentation support a client's billings.
2. Training has been given to ensure that proper codes are used, and that the codes used follow DMH guidelines for Targeted Case Management.
3. Training has been given to ensure that progress notes for Mental Health Services will specifically describe the efforts made by the clinician to meet the client's goals.
4. Training has been given to ensure that documentation indicates the role and involvement of multiple staff in meeting the needs of the client.

We would like to commend you and your team for the professional manner with which you conducted this audit. We at Harbor View Center welcome scrutiny for we believe that constructive recommendations assist us to meet our primary goal of providing children and families with excellent behavioral health services at cost efficient prices.

Sincerely,

A handwritten signature in black ink, appearing to read "John J. Megara". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

John J. Megara MBA
Chief Executive Officer

Cc. Paul McIver